

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6531

BILL NUMBER: SB 211

NOTE PREPARED: Dec 28, 2011

BILL AMENDED:

SUBJECT: Generic drug bidding program.

FIRST AUTHOR: Sen. Gard

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Pending

Summary of Legislation: Requires the drug utilization review board (board) to establish a competitive bidding program for generically equivalent drug product manufacturers (manufacturer) of drugs in therapeutic drug classifications with at least three manufactured generically equivalent drug products. Requires a manufacturer that participates in Medicaid or the children's health insurance program (CHIP) to participate in the competitive bidding program. Requires the board to establish a Medicaid preferred generic drug list (list) based on the successful bids and requires prior authorization on the Medicaid program and CHIP for a generically equivalent drug product that is not included on the list. Requires a manufacturer of a generically equivalent drug product that is included on the list to offer state supplement rebates. Requires the office of Medicaid policy and planning to request bids under the competitive bidding program at least one time every five years.

Effective Date: July 1, 2012.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Kathy Norris, 317-234-1360.